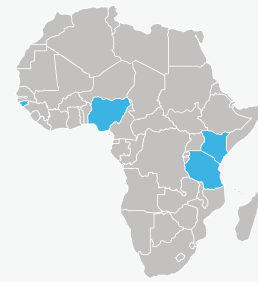


POWERGEN



Location

Kenya, Nigeria, Sierra Leone and Tanzania

PROJECT SUMMARY

Approximately, 480,000 people are expected to be served with high-quality, reliable electricity by 2024 under bold expansion plans by one of Africa's leading private utilities.

PowerGen Renewable Energy (PowerGen) completed a successful Series B round in November 2019, which drew funding from eight investors, including USD 2m in equity from REPP. The other seven were Shell's New Energies business, Sumitomo Corporation, Omidyar Network, Acumen, EDFI ElectriFI, DOB Equity, and Micro-grid Catalytic Capital Partners.

PowerGen is one of the pioneers building and managing smart grids with renewable energy, which deliver clean, affordable and reliable electricity to underserved people in Africa. The company's "smart grid" approach involves:

1. A clean grid that utilises distributed renewable energy (DRE) and displaces diesel generation
2. A holistic systems-based approach to network planning by integrating the best of on-grid and off-grid technologies
3. A software-based, data-driven approach powered by real-time analytics and controls to drive operational excellence
4. A customer-centric approach that provides reliable power with productive use support (such as e-mobility and electric cooking) to provide an excellent customer experience to all

Following the closing of the Series B fundraise, PowerGen has installed 3.67MW of renewable energy capacity, providing electricity access for the first time to over 170,000 people across Nigeria, Kenya, Sierra Leone and Tanzania. Around 75,830 people have been connected as a direct result of REPP's investment, as well as over 2,200 micro-businesses. PowerGen plans to scale up to a "critical mass" of 69,000 customers – connecting 480,000 people across these four countries and Benin by 2024, which will enable it to accelerate its reach in future. The company is scaling up its productive use programmes that enhance the quality of life of its customers; these include electric cooking, e-mobility and cold storage. Back in 2016, REPP provided early-stage funding assistance and support that has helped the company position itself at the forefront of the off-grid sector in Tanzania and Kenya. REPP's support during PowerGen's latest fundraise was key to crowding-in additional funding from private investors, enabling the company to reach its fundraising target.



Country policy alignment

Project supports all countries' NDC targets to reduce GHG emissions by 2030. It is also strongly aligned with the Nigerian Government's 'new paradigm for rural electrification' – delivering energy access through a combination of centralised and decentralised approaches – as well as supporting Kenya's aims to reach universal energy access by 2022 (National Electrification Strategy 2018), Sierra Leone's conditional electrification target of 95% by 2030 (Updated NDC, 2021) and Tanzania's target of 60% by 2026 (National Five-Year Development Plan 2021/22-2025/26).

AT A GLANCE

Technology:

Solar PV
mini-grids



Project type:

Off-grid

Offtaker:

Off-grid communities

KPIs



Greenhouse gas emissions avoided: 43,581 tonnes CO₂e per year / **Achieved: 1,973 tCO₂e (cumulative)**



People with first-time energy access: 480,000 / **Achieved: 75,830**



Planned capacity: 19.9MW / **Achieved: 3.67MWp**

FUNDING STRUCTURE

Signed: 17 January 2020

Type: Equity

REPP funding: USD 2m

SDGs



"REPP is one of PowerGen's longest-term partners and has a deep understanding of the mini-grid business from both a corporate and project finance perspective. We are thrilled to have them as an equity investor in PowerGen and to work together with their experienced team to continue building the private utility sector in Africa"

Sam Slaughter, Co-founder and former CEO, PowerGen Renewable Energy